

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

Docket Ref. No. 1923

Objections Due: February 18, 2025, at 4:00 p.m. (ET)

**OBJECTION OF SEVIERVILLE FORKS PARTNERS, LLC AND HARRISON OH
PARTNERS, LLC TO DEBTORS' FIFTH POST-CLOSING DESIGNATION NOTICE**

Sevierville Forks Partners, LLC ("**SFP Landlord**") and Harrison OH Partners, LLC ("**HOP Landlord**", and collectively with SFP Landlord, the "**Landlords**"), and for their Objection to the Debtors' Fifth Post-Closing Designation Notice (D.I. 1923, the "**Designation Notice**"), including the Designation Notice proposed cure amounts, respectfully state:

1. The Landlords are affiliated entities filing this combined objection to the Designation Notice.

2. SFP Landlord is the landlord for Debtors' Store #5332, located at 201 Forks of the River Pkwy, Sevierville, TN ("**Store 5332**"). In the Designation Notice, the Debtors propose to assume and assign the lease for Store 5332 (the "**Store 5332 Lease**"). In Exhibit B to the Designation Notice, the Debtors further propose that the cure amount for Store 5332 is \$348.00 (the "**Store 5332 Cure Amount**").

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors' corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

3. HOP Landlord is the landlord for Debtors' Store #5361, located at 10560 Harrison Ave., Harrison, OH ("**Store 5361**"). In the Designation Notice, the Debtors propose to assume and assign the lease for Store 5361 (the "**Store 5361 Lease**", and together with the Store 5332 Lease, the "**Leases**"). In Exhibit B to the Designation Notice the Debtors further propose that the cure amount for Store 5361 is \$24,924.00 (the "**Store 5361 Cure Amount**").

4. The Store 5332 Cure Amount is incorrect. Rather than \$348, the actual cure amount for Store 5332 is \$92,501.68 (the "**Store 5332 Correct Cure Amount**"). The Store 5332 Correct Cure Amount is composed of:

2024 CAM	\$ 271.70
2024 Taxes	\$17,409.23
2024 Insurance	\$19,215.81
2024 CAM Total	\$36,896.74
1/25 CAM short	\$ 58.53
2/25 CAM short	\$ 58.53
TOTAL CAM	\$37,013.80
9/24 Base Rent	\$18,495.96
12/24 Base Rent	\$18,495.96
1/25 Base Rent	\$18,495.96
TOTAL ALL	\$92,501.68

5. The Store 5361 Cure Amount is incorrect. Rather than \$24,924, the actual cure amount for Store 5361 is \$103,993.52 (the "**Store 5361 Correct Cure Amount**" and together with the Store 5332 Correct Cure Amount, the "**Correct Cure Amounts**"). The Store 5361 Correct Cure Amount is composed of:

2024 CAM	-\$ 2,531.48
2024 Taxes	\$34,173.94
2024 Insurance	\$ 7,351.05
2024 CAM Total	\$38,993.51
9/24 Base Rent	\$21,666.67

12/24 Base Rent	\$21,666.67
1/25 Base Rent	\$21,666.67
 TOTAL ALL	 \$103,993.52

6. Any assumption of the Leases requires full payment of the Correct Cure Amounts.

Section 365(b) provides in pertinent part as follows:

If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee—

(A) cures, or provides adequate assurance that the trustee will promptly cure, such default. . .

(B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease.

11 U.S.C. § 365(b)(1). Simply put, the Debtors must cure all defaults of the Lease and provide adequate assurance of future performance before it may be assumed. *See In re Thane Int'l, Inc.*, 586 B.R. 540, 546 (Bankr. D. Del. 2018). Here, the Landlords object to the Designation Notice to the extent it does not reflect the Store 5332 Correct Cure Amount and the Store 5361 Correct Cure Amount. The Landlords further object to inclusion of any language in any order approving the assumption and/or assignment of the Leases that affects the lessee's obligations other than curing the defaults that existed as of the date of the Designation Notice. The Landlords reserve the right to: (i) enforce all obligations and amounts due under the Leases that were in default as of February 3, 2025 or that arise thereafter, against any assignee, and (ii) to object to the assumption and/or assignment of the Leases on any other grounds.

7. The Landlords have reviewed information regarding adequate assurance of future performance by the proposed assignee of the Leases, and, based on that information, the Landlords do not object to assignment of the Leases subject to payment of the Correct Cure Amounts as set forth above.

Dated: February 17, 2025

MORRIS JAMES LLP

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